



Sen. Bill Brady

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09300HB6616sam001

LRB093 19757 EFG 50563 a

1 AMENDMENT TO HOUSE BILL 6616

2 AMENDMENT NO. _____. Amend House Bill 6616 on page 1, in
3 line 5, by changing "Section 7-132" to "Sections 7-132 and
4 16-133.2"; and

5 on page 9, below line 4, by inserting the following:

6 "(40 ILCS 5/16-133.2) (from Ch. 108 1/2, par. 16-133.2)
7 Sec. 16-133.2. Early retirement without discount. A member
8 retiring after June 1, 1980 and on or before June 30, 2010
9 ~~2005~~, and applying for a retirement annuity within 6 months of
10 the last day of teaching for which retirement contributions
11 were required, may elect at the time of application for a
12 retirement annuity, to make a one time member contribution to
13 the System and thereby avoid the reduction in the retirement
14 annuity for retirement before age 60 specified in paragraph (B)
15 of Section 16-133. The exercise of the election shall also
16 obligate the last employer to make a one time non-refundable
17 contribution to the System. Substitute teachers wishing to
18 exercise this election must teach 85 or more days in one school
19 term with one employer, who shall be deemed the last employer
20 for purposes of this Section. The last day of teaching with
21 that employer must be within 6 months of the date of
22 application for retirement. All substitute teaching credit
23 applied toward the required 85 days must be earned after June
24 30, 1990.

1 The one time member and employer contributions shall be a
2 percentage of the retiring member's highest annual salary rate
3 used in the determination of the average salary for retirement
4 annuity purposes. However, when determining the one-time
5 member and employer contributions, that part of a member's
6 salary with the same employer which exceeds the annual salary
7 rate for the preceding year by more than 20% shall be excluded.
8 The member contribution shall be at the rate of 7% for the
9 lesser of the following 2 periods: (1) for each year that the
10 member is less than age 60; or (2) for each year that the
11 member's creditable service is less than 34 ~~35~~ years. If a
12 member is at least age 55 and has at least 34 years of
13 creditable service, no member or employer contribution for the
14 early retirement option shall be required. The employer
15 contribution shall be at the rate of 20% for each year the
16 member is under age 60.

17 Upon receipt of the application and election, the System
18 shall determine the one time employee and employer
19 contributions required. The member contribution shall be
20 credited to the individual account of the member and the
21 employer contribution shall be credited to the Benefit Trust
22 Reserve. The provisions of this Section shall not be applicable
23 until the member's contribution, if any, has been received by
24 the System; however, the date such contributions are received
25 shall not be considered in determining the effective date of
26 retirement.

27 The number of members working for a single employer who may
28 retire under this Section in any year may be limited at the
29 option of the employer to a specified percentage of those
30 eligible, not less than 30%, with the right to participate to
31 be allocated among those applying on the basis of seniority in
32 the service of the employer.

33 (Source: P.A. 93-469, eff. 8-8-03.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.28 as follows:

3 (30 ILCS 805/8.28 new)

4 Sec. 8.28. Exempt mandate. Notwithstanding Sections 6 and 8
5 of this Act, no reimbursement by the State is required for the
6 implementation of any mandate created by this amendatory Act of
7 the 93rd General Assembly."